reserve power to prosecute persons who file false petitions. No such reserve power is necessary as Sections 187 and 190 of the Travancore Penal Code provide for cases of that sort.

With regard to your request to appoint whole-time official receivers I have to say that there is not enough work for whole-time officers.

Next you want to appoint a Commercial Officer. I do not know why. We have the Director of Industries, the Director of Registration and we have officers who control trade and shipping and I do not see why you want an officer of that sort.

The member said the officer would be helpful in finding out the best markets for local products and putting local merchants in touch with importers in foreign countries.

DEWAN: I am afraid the conditions are not sufficiently advanced to warrant such an appointment.

You want a commission to report on the present condition of trade in the State. That too I am afraid is asking for something that is not quite feasible. The state and condition of trade is well known to the Government and if there is any information you want of any particular branch, if you will write to the Government, they will be pleased to supply you with all information available.

43. Defects in the working of the Insolvency Regulation.

MR. S. MAHALINGA MUDALIYAR (*Member, Municipal Council, Nagercoil*) represented that the Insolvency Regulation was a source of evil to the traders in the country. Prior to the passing of the Regulation, the traders had some credit in the eyes of merchants abroad and they considered that presentation of insolvency petition was a mean action. But since the passing of the Regulation, cases of insolvency were very common. Many people borrowed money from others, purchased property with the borrowed money, alienated it in favour of their wives and relations and presented petitions for being declared insolvent, on the false plea of having become bankrupt on account of losses in trade. Others defrauded some of their creditors by falsely preferring other creditors to whom they transferred their property. Under the existing rules, if a property be transferred to one creditor three months before presenting an insolvency petition, other creditors could not recover their dues by proceeding against that property. There were still some others who, with the deliberate intention of presenting insolvency petitions, alienated their property one year before such presentation. In view to check such fraudulent transfers, the period of three months referred to above within which alienations of the debtor's property should not take place, should be extended to one year or at least six months. That would be a great boon to the public in general and to traders in particular.

The work of the official receivers was not satisfactory. There was considerable delay in distributing the assets of debtors among the creditors. In cases of insolvency, the creditors got only a portion of the money originally given out on loan. If even that portion was not recoverable early, the creditors would be subject to sad disappointments. The official receivers did not realise the difficulties of the creditors. The persons holding such appointments attended to the official receivers' duties only when they had leisure and convenience, the main portion of their time being taken up by their own professional work. They should therefore be asked to distribute the assets coming into their hands as and when they were realised.

Lastly, the Insolvency Regulation was not necessary in a State like Travancore. It might be useful in great towns and busy ports where trade and speculative businesses were carried on an extensive scale. Trade in Travancore was only limited and a trader could not become bankrupt all on a sudden. If a trader in Travancore should become bankrupt, he must have alienated his property with the deliberate intention of defrauding his creditors. Such fraudulent transactions came into existence only after the passing of the Insolvency Regulation. That was the main reason why traders in this country had lost their credit and mutual trust. The member therefore unhesitatingly advocated the repeal of the Regulation, which, if carried out, would be an unmixed advantage to the public of Travancore in general and to the traders in particular.

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DEWAN'S REPLY : Mr. Mahalinga Mudaliyar, I do not quite see how undue preference could be given to creditors in view of the safeguards existing in the Insolvency Regulation. There is definite provision in the Regulation and in spite of that if such preference is given, it will be illegal.

You then referred to the unsatisfactory nature of the work of the official receivers. The idea of official receivers is new in Travancore and you have got to give them a little time to fall into the way of their work. They have got to know exactly how they should work. Matters will adjust themselves as the official receivers gain experience.

The other difficulties that you mentioned are more against the whole of the Insolvency Regulation than anything else. I have to say that you have not succeeded in convincing the Government, that it is necessary to repeal the Regulation.

44. Establishment of a Magistrate's Court at Haripad.

MR. KANAKKU NILAKANTA PILLAI GOVINDA PILLAI (*Member, Kartikapalli taluk*) spoke about the need for a Magistrate's Court at Haripad. Ever since the establishment of criminal courts in the State, there had been a Magistrate's Court at Haripad. But, as a result of the separation of Revenue from Magistracy, the Magistrate's Court at Haripad was abolished. Even when other important towns, such as Kayankulam, Kottar, Colachel, Tiruvattar and Pattanamtitta, were having only a Third Class Magistrate's Court, there was a Second Class Magistrate's Court at Haripad and for a time there was even a First Class Magistrate's Court there. The above facts would show that a Magistrate's Court at Haripad was a necessity. Of the 18 *pakuthies* of the Kartikapalli taluk, all except 4 were included in the jurisdiction of the old Magistrate's Court. But all the *pakuthies* were since included in the jurisdiction of the Kayankulam Magistrate. The people of Kartikapalli were put to much difficulty and inconvenience on account of the change. Kayankulam lay 16 miles away from the northern *pakuthies* of Kartikapalli. People attending court from these places could not return home on the same day before night-fall and they could hardly afford to spend money for journeys by motor car. Sometimes, when they returned home at night, they were assaulted by parties of the opposite side. Again, on account of the heavy work in the Kayankulam Magistrate's Court, cases were very often adjourned. On account of such difficulties, many people were debarred from seeking remedies in courts. A charging police station and a few sub-stations were located at Haripad. For the proper control of those stations in the matter of criminal prosecutions, a Magistrate's Court was an absolute necessity. As it was, the police were liable to commit excesses. The Bench Magistrate's Court at Haripad would not satisfy the wants of the inhabitants because of its limited jurisdiction, both territorial and in regard to the power of punishment. Statistics for three years prior to and after the abolition of the Magistrate's Court at Haripad would show that, on an average, there was a decrease of 82 cases a year during the latter period when compared with the former. The decrease in crime or litigiousness was due to the people having been prevented from seeking redress in many cases on account of the inconvenience and losses caused by the location of a Magistrate's Court in a distant place. In view of the above, the member prayed that a Magistrate's Court be established at Haripad.

If the Government could not sanction it, the member prayed in the alternative that the local Tahsildar be invested with magisterial powers as had been done in some other taluks. The magisterial duties could not be an unbearable burden on the officer in view of the fact that he had been doing the same prior to the year 1098 along with his Devaswom and Maramath works since taken away from him. If necessary, the Taluk office staff might be strengthened by the addition of one or two clerks for doing magisterial work.

Another reason mentioned by the member to support his plea for the establishment of a Magistrate's Court at Haripad was the heavy work of the Kayankulam Magistrate. The latter had under his jurisdiction 33 *pakuthies* included in the Kartikapalli, Karunagapalli and Mavelikara taluks. The magisterial work in those taluks was formerly distributed among three Magistrates. However capable

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